



FACT SHEET

PAYING FOR ASSISTED LIVING

The cost of assisted living varies from facility to facility. Costs will also vary within a facility depending on the services received. Some people can afford to pay fees from their own income and savings. Others may have purchased Long-Term Care Insurance that pays all or part of the cost of assisted living. Unlike nursing homes, government financial assistance for assisted living is very limited. So if private funds run out, it may be necessary to move to another facility. Many find it difficult to find affordable assisted living.

If you are considering moving into an assisted living facility, one of the questions you should be asking yourself is, "how long can I afford to live in this facility"? You should consider not only current costs and fees, but future increases. You also need to think about how your care needs may change and how that will impact costs. Some of the questions you should ask when you visit a facility are:

- ☐ What is included in the basic fee? What is charged as an extra fee?
- ☐ When and how often are rates increased? Ask for a 5-year history.
- ☐ What is the facility's refund policy?
- ☐ Under what circumstances will services be terminated by the facility?
- ☐ What happens if medical needs increase or the level of care changes?
- ☐ What happens if funds run out?

An admission agreement should be read carefully before signing. Make sure it agrees with what you have been told. If it does not, ask for clarification or to have the agreement changed to reflect what you have been told.

GOVERNMENT ASSISTANCE

Some government assistance is available for residents of Adult Foster Care homes and Homes for the Aged who meet strict eligibility standards.

The Michigan Department of Community Health through **Community Mental Health Services** helps pay for Adult Foster Care homes or Homes for the Aged for those who are developmentally disabled, mentally ill, or mentally retarded.

The Veterans Administration provides pension benefits to veterans, their spouses, and widows or widowers with limited incomes. Pension benefits are higher for persons needing daily assistance with personal needs. Residents of Adult Foster Care homes or Homes for the Aged may qualify for these benefits. Information can be obtained by calling the **Veterans Administration at 1-800-827-1000**.

Medicare does not pay for assisted living. However, it will continue to pay for covered medical expenses, such as hospital care, prescribed home health services, and doctor visits. **Medicaid** may be available to some residents of assisted living. It will not pay the fees for room and board, but it may pay medical expenses including prescription medicines. If you have questions about Medicare and Medicaid benefits, the **Medicare Medicaid Assistance Program at 1-800-803-7174** can explain what programs are available and how to qualify.

SUPPLEMENTAL SECURITY INCOME (SSI)

The Social Security Administration runs an income supplement program for low-income blind, aged, and disabled people. This program is called **Supplemental Security Income (SSI)**. If you qualify for SSI, you are paid a monthly check to bring your total income up to the SSI limit.

To qualify for SSI, you must have less than \$2,000 in countable resources (a couple may have up to \$3,000 in countable resources). Resources are things you own, such as, real estate, savings and checking accounts, cash, and stocks and bonds. Things that are not counted include your home, a car, personal and household goods, some life insurance, and certain funeral contracts and accounts.

Your income must also be limited. Income means monthly earnings such as, Social Security or Railroad Retirement Benefits, pensions, and other money you may receive. SSI income limits depend on your living situation. In Michigan, the 2004 income limits are:

- \$721.50 per month for personal care in an Adult Foster Care home
- \$743.30 per month for personal care in an Home for the Aged

You apply for SSI at your local Social Security office. Additional information can be obtained from the **Social Security Administration at 1-800-772-1213**.

Some Adult Foster Care homes and Homes for the Aged accept SSI payments as payment in full. If the AFC or HFA accepts SSI, it cannot charge you more than this amount for its services. In addition, if you qualify for SSI, you automatically qualify for Medicaid. Medicaid pays all medical expenses including prescriptions. However, an Adult Foster Care Home or Home for the Aged is not required to accept a resident receiving SSI. If you convert from private pay to SSI, you may have to transfer to another home. You should find out in advance whether the home you are considering accepts SSI payments.

For more information please call our toll free number:

1-866-485-9393